



Housing Action Plan – Potential Strategies

August 16, 2021

The Clark County Housing Options Study and Action Plan is to understand local housing challenges and identify opportunities to encourage creation of additional housing types that are affordable to a variety of households within the unincorporated Vancouver Urban Growth Area. This could be done through the removal of regulatory barriers and/or implementation of other strategies.

The Housing Options Study included stakeholder interviews and focus groups, a housing inventory and analysis, an audit of land use policies, zoning, and regulations, and a feasibility pro-forma analysis. Proposed Housing Action Plan (HAP) objectives were developed based on the Housing Options Study and feedback from the Project Advisory Group and the public.

The next step is to analyze and identify priority strategies for the Housing Action Plan. The project team started with a framework developed by the Washington County Department of Commerce, and refined it to meet the needs of Clark County. The list is comprised of categories that include:

- A. Expand Zoning Permissions for Housing Development
- B. Modify Existing Regulatory Tools
- C. Process Improvements
- D. Affordable Housing Incentives
- E. Funding Options
- F. Other Strategies
- G. Displacement Strategies (*includes former Category G, H and I: Physical, Economic and Cultural Displacement Strategies*)

Each category includes several “strategy types” and then specific strategies developed by the project team. **The purpose of this memo is to explore potential strategies within categories C, F and G.** In this memo, Category G is renamed from “Physical Displacement Strategies” to “Displacement Strategies.” Category G combines strategies from the prior Category G (Physical Displacement Strategies), Category H (Economic Displacement Strategies) and Category I (Cultural Displacement Strategies). The memo includes a description of each strategy type and preliminary assessment of each strategy relative to the proposed HAP objectives and criteria such as timeline, cost, and administrative effort. Potential effectiveness and impact will be informed by PAG discussions.

HAP Objectives

1. Encourage housing development that meets the needs of middle-income households who are not being served in the current housing market.
2. Develop strategies to support the development of housing that is affordable to low, very low, and extremely low-income households.
3. Encourage diversity in housing types and tenure (rental/ownership), including expanding middle housing options and increasing multifamily feasibility.
4. Encourage the creation of a broad range of housing sizes to match the needs of all types of households (families, singles, students, older adults, disabled, or other unique population groups), with a focus on 1-2 person households not being served in the current housing market.
5. Guide development of diverse housing options to areas with access to transportation corridors and transit, commercial services, schools and parks, and conversely, support development of those same amenities in areas where more housing is added.

Preliminary Assessment Criteria

1. **Timeline.** Since the “intended outcome is a list of implementation-ready/actionable strategies and recommendations for public, Planning Commission and Council,” Short-term includes implementation-ready strategies that will be adopted through this process. Medium-term strategies are those that require more work or time to implement. Long-term strategies are those that the County does not control.
2. **Cost.** A relative comparison of costs for each strategy. For example, development code changes have no/low cost. Strategies with ongoing administrative needs are medium cost. Items that require the County to invest or forgo revenues are high cost.
3. **Administrative Effort.** Strategies that primarily involve policy setup or code changes are low effort. Strategies that will require more work following the completion of this project are medium effort. High-effort strategies require substantial staff time and program setup. This includes any new or ongoing programs that need dedicated time to administer.
4. **Potential Impact.** The magnitude of impact the strategy will have on achieving the project objectives. This will be assessed following the PAG’s initial discussions of potential strategies and presented at a future meeting.

C. Process Improvements

C-1 Permitting Process Streamlining

Providing an efficient, predictable and user-friendly permitting process can encourage new housing construction by reducing potential confusion or perception of risk among developers as well as lowering their administrative carrying costs. There are several ways in which jurisdictions can improve the clarity, speed and consistency of the permit review process, consistent with legal requirements

- C-1.1. Permit the majority of residential uses through a Type I review rather than a Type II review and approval. Clarify the standards and procedures for “Uses Subject to Review and Approval” under UDC 40.520.020.
- C-1.2. Develop pre-approved model plans for new middle housing types, including ADU designs that can be built with Type I approvals. The county would need to figure out how to fund the creation of the building plans. See for example Bryan, TX and Lacey, WA:
<https://www.cnu.org/publicsquare/2020/05/12/pattern-zone-enables-quality-infill-development> and
<http://www.ci.lacey.wa.us/city-government/city-departments/community-and-economic-development/building/new!-build-a-backyard-cottage>
- C-1.3. Streamline land use, engineering and building permit reviews. Options could include:
- Revising the expedited permitting process for targeted residential projects.
 - Supporting the initiative for electronic plan review.
 - Review the land use and engineering standards used to review projects and identify if there are opportunities that would promote both efficiency in the review/application process and high quality development, i.e. if a project meets certain requirements, then the landscaping standards could be reduced.

C-1	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
C-1.1	●	●	●			Short	\$	Low	
C-1.2	●		●	●		Medium	\$\$	Medium	
C-1.3	●	●	●	●	●	Medium	\$\$	Medium	

C-2 Environmental Review

Enact measures or utilize tools designed to streamline environmental review. Tools and measures may include:

- **SEPA Infill Exemption.** A city or county planning under the GMA can adopt an infill exemption if the comprehensive plan was already subject to environmental analysis through an environmental impact statement (EIS). Any residential, mixed-use or smaller scale commercial development that is roughly equal to or lower than the density goals of the comprehensive plan is exempt from further review. The local government must consider the specific probable adverse environmental impacts of the proposed action and determine that these specific impacts are adequately addressed by the development regulations or other applicable requirements of the comprehensive plan; subarea plan element of the comprehensive plan; planned action ordinance; or other local, state or federal rules or laws. By removing an extra layer of review and potential risk, a SEPA infill exemption can encourage development within the designated area. Note: Per RCW 43.21C.495, if a city takes action to adopt an infill exemption prior to April 1, 2023, state law shields it from SEPA and judicial appeals. This safe harbor does not extend to counties.
- **Subarea Plan with Non-Project EIS.** The intent of a subarea plan is to encourage high-density, compact, infill development and redevelopment within existing urban areas to further the goals of

the GMA, to promote the use of public transit, encourage further investment in transit systems and contribute to the reduction of greenhouse gas emissions. The statute provides that local governments may adopt subarea plan and implementing development regulations if evaluated by an EIS. The community can prepare a subarea plan and non-project environmental impact statement (EIS). Because they are broader proposals than site-specific development projects, evaluation of non-project actions are typically areawide and broad in nature and focus on alternatives and can be integrated with the subarea plan as appropriate. Note: Per RCW 43.21C.495, if a city takes action to adopt a subarea plan to April 1, 2023, state law shields it from SEPA and judicial appeals. This safe harbor does not extend to counties. Subarea plans should address one of the following:

- Areas designated as mixed-use or urban centers.
- Areas within one-half mile of a major transit stop.
- **Planned Action.** Planned actions provide more detailed environmental analysis during an area-wide planning phase, rather than during the permit review process. A community planning under GMA can develop a planned action EIS or threshold determination to facilitate development consistent with local plans and mitigation measures. As a result, future projects in the designated planned action area do not require SEPA determinations at the time of permit application if they are consistent with the type of development, growth and traffic assumptions, and mitigation measures studied in the EIS or threshold determination. Such projects are still required to comply with adopted laws and regulations and undergo review pursuant to the community's adopted land use and building permit procedures; however, the advanced work streamlines the development review approval process and removes a potential layer of appeal.

- C-2.1. Use sub area planning as a tool to ensure new areas of development are built with neighborhood amenities. This strategy could work well in conjunction with a planned action as described above. Would need to identify areas where sub area planning could be useful.
- C-2.2. Use planned actions as a tool to streamline the review and permitting process and reduce the SEPA costs of individual projects. Would need to identify where planned actions could be useful.
- C-2.3. Write code that would provide a SEPA exemption for small scale infill development.

C-2	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
C-2.1					●	Medium	\$	Medium	
C-2.2					●	Medium	\$	Medium	
C-2.3					●	Short	\$	Low	

C-3 Other Administrative Actions

- C-3.1. Consider a time-limit or limited supply strategy for the development of certain housing types, such as ADUs, by offering financial incentives or impact fee waivers for the first ten projects, or in the first two years.
- C-3.2. Partner with community groups to host ADU workshops to share information about ADUs and for networking with builders and lenders. For example, Kol Peterson, a Portland-based ADU advocate, offers workshops for homeowners to build ADUs (accessorydwellings.org). The Incremental Development Alliance offers workshops for small developers wanting to do middle housing. Another example of a community that has already done this is Lacey, WA: <http://www.ci.lacey.wa.us/city-government/city-departments/community-and-economic-development/building/new!-build-a-backyard-cottage>. Similar ideas could be used for other missing middle housing types as well.

- C-3.3. Create a housing demonstration project or pilot program to test how well a certain new housing type would fit within the community and address community housing needs.
- C-3.4. Develop a marketing/communication plan on any new changes to code or other strategies regarding housing options, including education efforts such as handouts and brochures explaining new regulations and what kind of middle housing is possible.
- C-3.5. Monitor housing development over time, noting the number and type of units produced, sizes of units, density, parking provided, sale or rent levels, use of any fee or tax incentives, or other correlations between regulatory actions and resulting development trends. Consider providing profiles of representative projects as part of annual reports to support further regulatory revisions.

C-3	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
C-3.1	●	●	●	●		Short	\$\$\$	Medium	
C-3.2	●		●	●		Medium	\$	Medium	
C-3.3	●	●	●	●	●	Medium	\$\$\$	High	
C-3.4	●		●	●		Medium	\$	Medium	
C-3.5	●	●	●	●	●	Short	\$\$	Low	

F. Other Strategies

F-1 Legislative Advocacy

- F-1.1. Condominium defect liability law – Support legislative changes that would fix issues with the state's condominium defect liability law that has contributed to a condominium construction drought by encouraging frivolous lawsuits.
- F-1.2. Support legislative changes that would support locally-owned rental housing instead of out-of-state ownership.

F-1	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
F-1.1			●			Long	\$	Low	
F-1.2			●			Long	\$	Low	

F-2 Accessibility

- F-2.1. Adopt a “visitability” program, either with voluntary incentives and/or code requirements, for the construction of a percentage of new housing units (where there are three or more units proposed) that include the following visitability standards:
- A no step, barrier-free main entrance.
 - A bathroom and small living area accessible to the main entrance.
 - 32-inch-wide internal doors between the entrance, the bathroom and the living area for wheelchair accessibility.

F-2	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
F-2.1				●		Short	\$\$	Medium	

F-3 Motel/Hotel Conversions to Housing

- F-3.1 Write code that allows for the conversion of existing motels and hotels into permanent housing. Could specify only allowed for certain housing types, such as housing that meets certain affordability criteria.

F-3	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
F-3.1		●				Short	\$	Low	

F-4 Definition of Household

- F-4.1 Revise the definitions of “household,” “housekeeping unit,” and “family” per SB 5235/RCW 35.21 to remove numbers of unrelated persons that may define a household, a family, or occupy a dwelling unit. Need to complete full review of code to identify specifics of where this is needed. The number of people that can occupy a dwelling unit would be based on building safety code requirements instead of an arbitrary number in the development code.

F-4	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
F-4.1		●		●		Short	\$	Low	

G. Displacement Strategies

G-1 (E4 and E5) Mission-Oriented Acquisition Funds/Partner with Local Housing Providers

The following actions overlap with or are similar to Strategy E-5, Mission-Oriented Acquisition Funds. The County's role is to support state programs and local partners. Some of these activities are already happening:

- **Strategic Acquisition and Financing of Existing Multifamily Development.** To better retain affordable housing, cities, counties and housing authorities can catalog naturally occurring affordable housing and housing with income restrictions or covenants that are about to expire. Some of this information could be found in the Housing Needs Assessment (HNA) or with further analysis of HNA data. Cities, counties and housing authorities may then identify funds to acquire existing multifamily buildings that serve low- or moderate-income residents to avoid displacement of residents. Selected properties should be likely targets for redevelopment with residents otherwise unable to afford to stay in the neighborhood or projects with expiring affordability contracts. Alternatively, public funds can support private or non-profit owners of buildings with expiring affordability covenants, as discussed in the next strategy. This practice preserves existing communities and retains long-term affordable housing stock.
- **Support Third-party Purchases of Existing Affordable Housing.** Community-based organizations, non-profits and community land trusts can be important property owners within a neighborhood. Using public resources to empower trusted institutions can preserve or create affordable housing and space for community-serving organizations and businesses. Municipal and other funds can assist these institutions in land and property acquisition efforts that preserve affordable housing and prevent displacement within a neighborhood.
- **Notice of Intent to Sell / Sale Ordinance.** A Notice of Intent to Sell ordinance requires owners of multifamily buildings to provide official notification to tenants and local housing officials. This ordinance can apply specifically to properties with rents at or below certain income levels. The notice gives public authorities the opportunity to plan for a potential purchase in the interest of preserving housing that serves low- or moderate-income residents. It also acts as a mitigation measure for residents, providing additional time to prepare for a potential need to move. A related strategy uses existing databases, such as the National Housing Preservation Database (NHPD) and PolicyMap, to identify properties with expiring income-restricted covenants. These resources empower jurisdictions to proactively identify units for preservation as affordable to low-income households. Puget Sound Regional Council is anticipating an update to its regional subsidized housing database in 2021 that will incorporate information about expiring affordability covenants.
- **Community Land Trusts.** A community land trust (CLT) is a non-profit organization, owned by a collective of community members, which buys and holds land within a neighborhood. It may raise funds through public or private sources to build structures on this land to be used for community purposes or to be sold to low- or moderate-income residents. These building occupants pay a monthly land lease fee to the trust, which maintains ownership of the land itself. CLTs build community wealth by cooperatively owning land and provide affordable housing within a neighborhood. They also prevent displacement by keeping ownership of the land and property out of the private market and ensuring that new development serves community goals such as housing affordability. Public policy can support CLTs by land donation or contributing funds for land acquisition.

G-1.1. Monitor or support VHA monitoring efforts on regulated affordable housing properties that are nearing their affordability expiration dates.

G-1.2. Adopt a Notice of Intent to Sell ordinance.

G-1.3. Explore partnerships and opportunities with community land trusts.

G-1	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
G-1.1		●				Short	\$	Low	
G-1.2		●				Medium	\$	Medium	
G-1.3		●	●		●	Long	\$\$	Medium	

G-2 (B5) **Manufactured Home and Tiny Home Communities**

The following actions overlap with or are similar to Strategy B-5, Manufactured Home and Tiny Home Communities. The county's role would be to support state programs and local partners.

- **Mobile Home Park Preservation and Relocation Assistance.** Mobile home parks can be prime locations for higher density redevelopment in communities with strong demand for new housing. However, they also provide relatively affordable housing to residents in lower-income brackets. Therefore, some communities use strategies to preserve mobile home parks and avoid displacing residents. In some cases, displacement of mobile home park residents cannot be prevented. The Washington State Department of Commerce offers a manufacture/mobile home relation assistance program that provides financial resources to assist displaced residents, particularly those who meet low-income thresholds. This is a mitigation measure that should be used only in circumstances where preventive actions to preserve mobile home parks are unsuccessful.
- **Mobile Home Park Conversion to Cooperative.** A community investment program for mobile home parks offers financial tools enabling mobile home park residents to organize and purchase the land that serves their community. Mobile home parks often house moderate- and low-income residents, and this program, which operates as a co-op, protects residents from unexpected rent increases over time. It also empowers residents to complete much-needed deferred maintenance projects. The Washington State Housing Finance Commission, in partnership with Resident Owned Communities (ROC) Northwest and ROC USA, offers the financial tools and expert guidance for manufactured-housing ("mobile-home") communities to become self-owned cooperatives. The commission works in partnership with ROC USA to provide financing for the purchase, and sometimes improvement, of the property. This financing means a bank loan with favorable terms for the cooperative.

G-2.1 County to provide resources and support with the mobile home park preservation and relocation assistance program and mobile home park conversion to cooperative programs.

G-2	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
G-2.1		●	●	●		Medium	\$	Medium	

G-3 **Tenant and Homeowner Protections and Assistance**

These activities protect tenants and provide relocation assistance:

- **Tenant Relocation Assistance.** Upzoned neighborhoods may see an increase in demolition of existing housing units to build newer, higher-density housing types. This process displaces existing tenants who then incur moving costs. Local governments can pass an ordinance that requires developers, public funds or a combination of the two to provide relocation funds for these displaced tenants. Income eligibility would need to be consistent with state law requirements. Resident relocation assistance as a result of public action is required.

- **Renter Assistance.** The county often is the recipient of federal and state rental assistance funds and distributes or works with partner organizations to distribute the funding.
 - **Down Payment Assistance.** Some renters desire long-term investment in a neighborhood through home ownership. Saving enough money for a down payment can take years for many households. Economic displacement pressures can push these households to relocate long before their savings accounts are sufficient for a home purchase. Down payment or assistance programs proactively address this barrier by offering no-interest or low-interest capital for qualified buyers. These programs typically pair with home ownership education courses to encourage financial preparedness for participants. Many programs target first-time home buyers. Home ownership is not the best fit for all households, but many renters pay a mortgage-equivalent in rent and desire the added stability offered by ownership.
 - **Foreclosure Assistance and Education.** Foreclosure intervention counselors serve as intermediaries between homeowners and financial institutions to advocate for at-risk homeowners in need of budgeting assistance, refinanced loan terms or repaired credit scores. The state of Washington has a homeowner assistance fund, foreclosure counseling and mediation programs. Local jurisdictions can use affordable housing funds to support foreclosure intervention programs, or community land trusts can step in to purchase foreclosed property, helping to restore ownership for residents.
 - **Property Tax Assistance Programs.** Certain neighborhoods experience dramatic increases to property values that result in proportional increases to property tax values. Longtime residents who own their home, wish to stay in their neighborhood but struggle to keep up with these cost increases can be helped through a property tax assistance program. Clark County has two types of property tax relief programs. One is a tax deferral program and the other is a tax reduction program. The tax deferral program is for seniors and persons with disabilities, along with those with limited incomes. The tax reduction program is available for seniors and persons with disabilities. The State of Maryland has a program that extends benefits to renters who often bear the burden of property tax payments through increased rental rates.
 - **Need-based Rehabilitation Assistance.** Rehabilitation projects for existing housing that serves low- and moderate-income residents encourages community longevity. Need-based rehabilitation assistance helps low-income, disabled or senior residents make needed home repairs and safety upgrades by offering favorable financing terms or time-limited tax abatements to qualified homeowners. Projects that address weatherization and energy efficiency improvements can improve long-term affordability for the homeowner by reducing monthly energy costs.
 - Affordable housing funds can be used to directly provide loans or to partner with non-profit organizations specializing in this type of work.
 - Property tax deferral for homeowners with limited incomes.
 - Local housing web sites may also provide information about state and local programs for home repair assistance and help with energy bills.
- G-3.1. Continue renter assistance fund programs/support, identify where there are fund distribution equity issues, and implement changes to address those issues moving forward.
- G-3.2. Support state legislation that invests in affordable housing, rental assistance, and tenant protections.
- G-3.3. Expand existing homeownership weatherization, rehabilitation, and energy assistance grants.
- G-3.4. Host homebuyer education program. Classes could educate renters on the homebuying process and provide resources on down payment assistance programs.
- G-3.5. Foreclosure assistance. The county can provide resources on foreclosure assistance resources and programs. The county can also use eligible affordable housing funds to support foreclosure assistance and intervention programs and/or to support community land trusts to purchase foreclosed properties and restore ownership for residents.

G-3.6. Support state legislative efforts that expand property tax assistance programs to people with low-incomes, who are elderly, and/or have a disability.

G-3	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
G-3.1		●	●			Short	\$\$\$	High	
G-3.2		●	●			Long	\$	Low	
G-3.3		●	●			Short	\$\$\$	High	
G-3.4		●	●			Short	\$\$	Medium	
G-3.5		●	●			Short	\$\$\$	Medium	
G-3.6		●		●		Long	\$	Low	

G-4 Regulation of Short-term Rentals

Many communities have adopted short-term rental (STR) regulations to reduce their impact on displacement and housing affordability. A first step is to track STR activity by requiring registration and reporting from owners of these units. Policy regulations should prioritize actions that reduce the likelihood of converting long-term rentals into STRs. Some examples include:

- Restrict short-term rentals to zones allowing tourist accommodations.
- Set caps on the number of allowed short-term rentals per host.
- In a residential zone, limit the number of nights a short-term rental can be rented to guests annually (e.g., Bend, Oregon). This helps minimize the ownership of property purely for use as a full-time short-term rental.
- In a residential zone, permit short-term rentals within an owner-occupied residence.
- Require permanent resident occupancy for a period of time prior to the unit being offered for short-term rental.

In addition, as a mitigation measure, STRs can be charged transient rental or hotel taxes, with revenue contributing to anti-displacement initiatives.

The regulation of short-term rentals can be complex and involve establishing an annual license or permit, standards for the protection of guests and/or standards for the protection of neighbors. There may also be a need for added code enforcement resources

G-4.1 Research short-term rental impacts in Clark County and, if needed, develop a county policy around short-term rentals.

G-4	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
G-4.1		●	●			Medium	\$	Medium	